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The Honourable Gerard Amerongen
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honour to submit this Annual Report of the Department of Consumer and Corporate Affairs for the fiscal year ending March 31, 1984.

Respectfully submitted,

Minister of Consumer
and Corporate Affairs

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CONSUMER AND CORPORATE
AFFAIRS

Office of the Deputy Minister

11th Floor, Capitol Square, 10065 Jasper Avenue, Edmonton, Alberta, Canada T5J 3B1 403/427-4095

The Honourable Connie Osterman
Minister of Consumer and Corporate Affairs

Madam:

I take pleasure in submitting the Department's Annual Report for the fiscal year ending March 31, 1984.

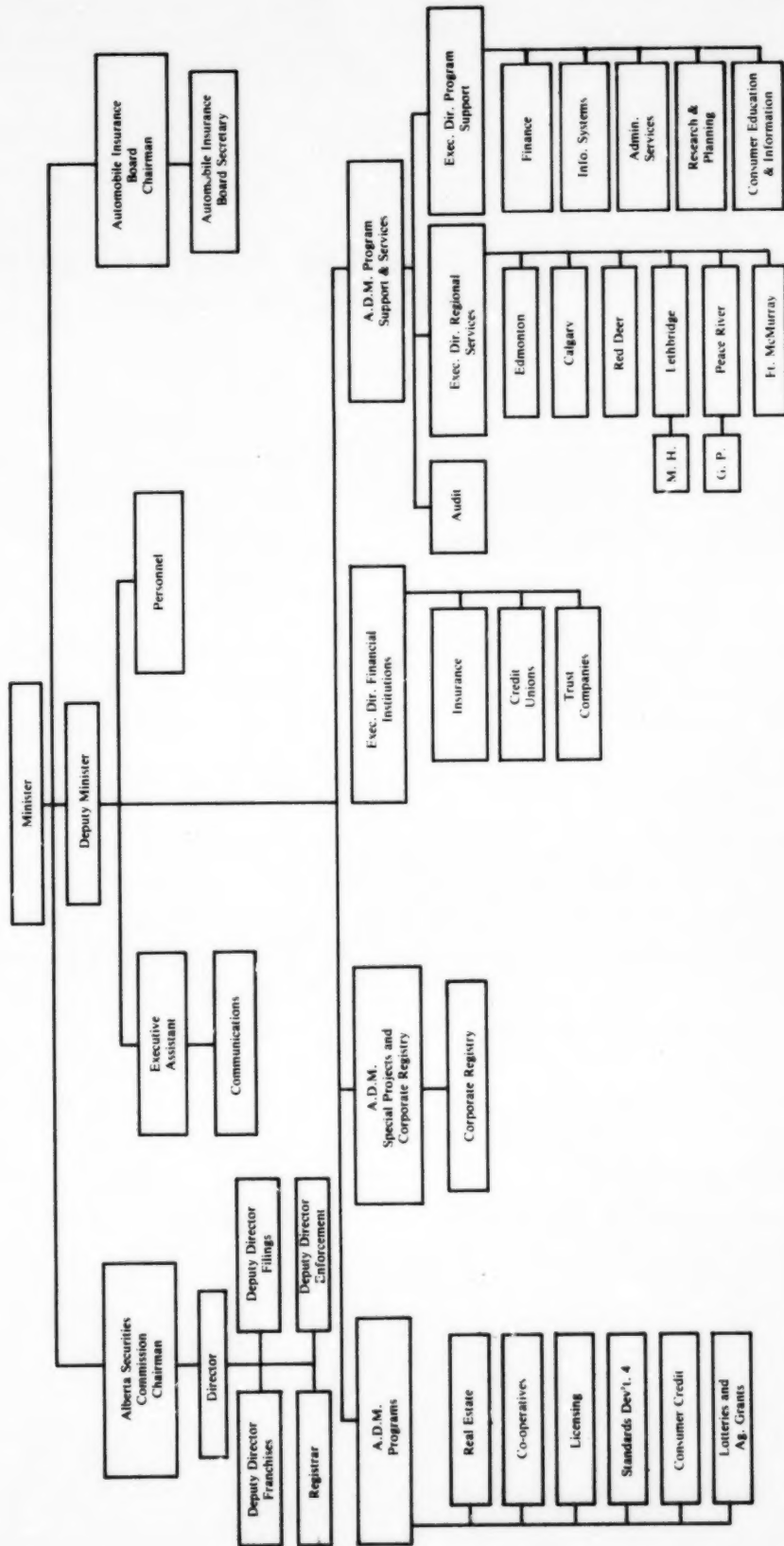
Respectfully submitted,

A handwritten signature in dark ink, appearing to read "J. Barry Martin", followed by a horizontal line.

J. Barry Martin
Deputy Minister



Alberta Consumer and Corporate Affairs Organization Chart 1983/84



Acts Administered by Alberta Consumer and Corporate Affairs

**Agricultural Societies Act (Section 33 &
43) — administered "in common" with
Alberta Agriculture**

**Bankruptcy Act (federal Act, of which
the Orderly Payment of Debts provisions
are administered by the Department)**

Business Corporations Act

Cemeteries Act

Cemetery Companies Act

Collection Practices Act

Companies Act

Condominium Property Act

Co-operative Associations Act

**Co-operative Marketing Associations &
Rural Utilities Guarantee Act**

Credit and Loan Agreements Act

Credit Union Act

Credit Union Federation of Alberta Act

Debtors' Assistance Act

**Department of Consumer and Corporate
Affairs Act**

Deposits Regulation Act

Direct Sales Cancellation Act

Franchises Act

Fuel Oil Licensing Act

Insurance Act

Insurance Corporations Tax Act

Interprovincial Lottery Act

Investment Contracts Act

Landlord and Tenant Act

Licensing of Trades and Businesses Act

Mobile Home Sites Tenancies Act

Mortgage Brokers Regulation Act

Native Co-operative Guarantee Act

Prearranged Funeral Services Act

Public Contributions Act

Real Estate Agents' Licensing Act

Religious Societies' Land Act

Sale of Chattels by Public Auction Act

Securities Act

Societies Act

**Tax Rebate Discounting Act (federal Act
administered by the Department)**

Trust Companies Act

Unfair Trade Practices Act

Wage Assignments Act

Deputy Minister's Office

Communications

Personnel

Communications

The Communications Office co-ordinates public affairs matters, media relations, advertising and internal communications for the Department. It also provides the Department with editorial services and public relations counselling, and manages the printing and artwork for all public information pamphlets.

Highlights for the year included a communication

package, developed for the money management booklet *Taking Charge*, which won the Advertising Club of Edmonton's award for best newspaper series. The new publication, *Societies Act: Forming a Society*, was awarded a Certificate of Recognition by the International Association of Corporate Administrators.

Personnel

The Personnel Office assists the Department in human-resource management and personnel planning. This includes job classification, recruitment and selection, training and development, employee relations, pay and benefit administration, and occupational health and safety.

Employee Relations

Personnel consults with employees, supervisors, and managers to assist in employee/employer problems. The discussion, research, advice and documentation involved may result in disciplinary action by the employer, or grievances or appeals by the employee.

Classification

Several managers were trained to participate in a committee approach to classifying bargaining unit positions. As well, the establishment of a word-processing-operator series and the addition of several word processors necessitated an internal review of all affected positions. A new procedure for updating position descriptions was developed.

Recruitment and Selection

The number of job applications processed increased significantly; however, the number of jobs available declined as a result of the Department's policy to cut back on positions. Considerable time was spent redeploying employees affected by position abolishment, and assisting managers in adjusting to these changes.

Training and Development

Staff development continued to be a priority for the Personnel Office for two reasons:

1. to improve job performance, and
2. to help qualified employees progress in their careers.

In 1983/84, staff development was based primarily on:

1. Courses offered by the Government's central Personnel Administration Office.

2. Private sector and other government-sponsored courses.
3. Department-sponsored, in-house training programs.
4. Certificate and degree programs offered by universities, community colleges, and post-secondary institutions.

TABLE 1

Summary of Staff Development Activity

	No. of Participants
Organization Development	
Division courses	203
Government agency and private sector courses	124
Department-sponsored in-service courses	272
Course subsidies extended to participants in degree and certificate programs	37
Subsidized education leave	1
TOTAL	637

TABLE 2

Department Personnel Statistics

Complement as of March 31, 1984

Total number of salary positions	434
Number of management positions	63
Number of non-management positions	369
Number of project positions	9
Number of wage employees	18
Classification requests processed	141
Classification appeals	1
Employee relations interventions	92
Number of competitions conducted	50

Program Support and Services

Audit

Regional Services

Program Support

Consumer Education

Information Systems

Administrative Services

Research and Planning

Finance

Audit

Audit provides a financial consulting and examination service to the Department, with financial analysis and field examinations of registrants or licensees conducted at the request of Program Development directors.

Audit programs designed specifically for regulated industries were used in examining whether licensees were complying with applicable legislation and were handling public funds appropriately. Financial institutions may invest their funds in qualified assets only, meeting cer-

tain minimum quality standards. Agencies or brokers receiving trust funds must maintain such funds in a separate trust account until the trust obligations are fulfilled.

During 1983-84, all provincially chartered insurance companies and investment contract companies were audited. In addition, reviews and examinations were conducted on 77 entities subject to legislation administered by the Department.

REGIONAL SERVICES

The six Regional and two District Offices deliver throughout Alberta the services of Departmental programs. Regional Services' objectives are:

1. Standardization and uniform delivery of programs, providing reasonable access to the general public.
2. Evaluation of the effectiveness of Department services at the regional level.

Regional Services

Regionalization of the Corporate Registry was continued in 1983-84 by providing some of the services to citizens in the Red Deer, Lethbridge, Peace River and Fort McMurray areas. The Grande Prairie and Medicine Hat offices, opened during the previous year, also were able to provide Corporate Registry service.

As in 1982-83, continuing emphasis was placed on the auditing and examination of financial institutions for which the Department has legislative responsibility.

Complaints and Enquiries

Enquiry and complaint phone calls to Regional Offices increased by one per cent to 103,265. While this in-

crease was less significant than in previous years, overall activity was maintained in terms of interaction with business and consumers. The Department continued to encourage individuals to resolve their own complaints, permitting officers to concentrate on those consumer problems which could not be effectively handled by individual complainants. The 10 most significant categories of complaints investigated in the fiscal year by the Department are given below.

Landlord and Tenant	672	13.64%
Real Estate*	597	12.12%
Motor Vehicles	580	11.9%
Insurance	558	11.3%
Building Materials & Home Improvements	419	8.5%
Appliances	343	6.9%
Credit	345	7.0%
Miscellaneous Mfg. Goods	288	5.0%
Personal Services	189	3.8%
Personal Goods	142	3.8%

* Refers to the Program area in general, excluding Landlord and Tenant investigations.

PROGRAM SUPPORT

Program Support supplies centralized services that assist the development and delivery of the Department's programs. The support functions include two areas new

to Program Support in 1983-84: financial services, and consumer education and information.

Consumer Education and Information

Consumer Education and Information aims to:

- produce educational materials to meet changing consumer needs,
- encourage in Albertans a sense of responsibility for planning and allocating their personal resources,
- provide Albertans with learning opportunities to help them develop decision-making skills for effective functioning in the marketplace, and
- create programs for those with special needs and involve such groups in the development and delivery of educational programs.

Print Materials

Taking Charge, a self-help money-management booklet, was the major print item produced this year and was promoted during a four-week "fiscal-fitness" advertising campaign on television and in the print media. A poster, 11 public service announcements, and three newspaper articles also were developed for promotional use by Regional Offices. The number of requests for Taking Charge exceeded that for any previous Department publication, with 125,000 copies distributed in the six months between October, 1983 and March, 1984.

Other publications produced this year:

- Provincial Business Licenses, Regulations and Permits
- A Consumer's Guide to Insurance Claims
- Electronic Funds Transfer
- Consumer Tips (a booklet containing all existing tip sheets and distributed to medical and dental offices for waiting-room displays)
- Helping You Help Yourself (a publications list and order form)

In addition to the new items mentioned above, seven existing tip sheets and 15 existing radio scripts were translated into French.

Teaching and Display Materials

The following items were completed this year:

- The 1984 Update to Consumer Education Materials: An Annotated List was produced and distributed to all Alberta schools, post-secondary institutions, libraries, government departments and social agencies.
- Consumer Resources and Materials, an annotated bibliography designed to assist librarians in identifying consumer books, pamphlets and periodicals considered to be useful additions to a library collection, was produced and distributed to all public libraries.

- A slide/tape production entitled Helping You Reach Out, describing the services and materials available to professionals through the Resource Centre, was distributed to all Regional Offices.
- An instructor's guide entitled Landlords' and Tenants' Rights and Responsibilities was distributed to Regional Offices and to Landlord and Tenant Advisory Boards throughout Alberta.
- Making the Most of Your Money, a teaching package designed for use with Northern Alberta natives, was distributed to all Regional Offices and to other interested organizations in the Province. The package was developed by the Peace River Regional Office and edited and produced by Consumer Education and Information.
- A teaching package entitled Real Estate Clinic was developed on behalf of the Real Estate Program and distributed to all Regional Offices for workshops with real estate agents and salespeople.

Consumer Information Centres

Consumer Information Centres were established in four public libraries — two in Edmonton and one each in St. Albert and Medicine Hat, bringing to seven the number of such Centres in the Province.

Resource Centre Services

A comprehensive resource collection of over 7,850 books, films, pamphlets, periodicals and videos on all facets of consumerism, the Resource Centre also offers professional assistance in setting up special workshops and inservice training. Firmly established in its new store-front location, the Centre was increasingly used during the fiscal year by clients including educators, post-secondary students, the general public and Department staff.

Resource Centre User Statistics

	1983-1984	1982-1983
Number of educators	1,064	867
Number of staff	1,447	1,184
Number of post-secondary students	444	484
Requests for films	567	448
Requests from the public for product information	3,542	3,161

During the year, Resource Centre and head-office staff conducted four open houses at the Centre, held 32 workshops and 44 consultations, and set up five displays for a wide variety of educators and post-secondary students. These sessions helped participants learn how to choose consumer education resources for use in their own programs.

Regional Activities

Consumer Education staff in the six Regional Offices organized numerous courses and workshops for the

general public, set up displays and provided consumer information and publications on request. The staff also appeared regularly on television and radio programs and submitted articles to newspapers to help keep Alberta consumers informed. Increasingly important in all Regional Offices was the training of educators and other helping professionals through workshops and consultations.

Information Systems

Services supplied to the Department by Information Systems during 83/84 included: project management, acquisition and installation of equipment, development of software and co-ordination of procedural changes and user training.

Support provided for existing systems included: budget preparation for each electronic data processing system; monitoring of operational costs; review of Departmental legislation, policies and procedures to determine impact on systems; ensuring that systems were changed to meet new user requirements; monitoring changes in the technical environment to benefit staff with advancements wherever possible.

In addition to these major service areas, Information Systems managed and operated the Departmental Records Centre (providing storage for and access to semi-active and inactive files) and the Micrographics Unit (providing filming and processing services for micrographic systems). It designed and arranged the printing of stationery and forms, and oversaw the Department's Records Management program.

An in-house microfilm processor was installed in the Micrographics Unit, which reduced the Department's annual processing cost by 68%.

Research and Planning

Research and Planning provides centralized research and information service in support of Departmental planning and policy formation. The unit has five major functions:

- Responding to Ministerial, management, public and other departments' requests for information on consumer issues and Departmental policies. Topics covered range from consumer expenditure patterns, security deposit regulation, or cemeteries legislation, to the language of commerce in Alberta.
- Co-ordinating both long- and short-term planning processes in the Department.
- Reviewing and analyzing particular policies or issues as directed by executive management, assessing implications for the Department and preparing policy recommendations. Among such projects undertaken last year were: the summarizing of all applications made to the Lottery Review Committee, a review of

contentious landlord-tenant law issues, and an analysis of surety bonding.

- Providing research and analysis services to facilitate Departmental decision-making. Such services may involve needs assessments, program evaluations, surveys, legislation reviews, and statistical analyses. Projects carried out in 1983 included a survey of prescription drug pricing across Canada, a summary report on the Department's legislation and an analysis of trends in the commercial real estate market.
- Publishing two newsletters, Market Spotlight and Market Highlights. Market Highlights is a monthly digest of news about the marketplace, which includes information about price changes, new products, product safety and legislation. Market Spotlight, a bi-monthly newsletter for consumers, presents information on a single product, service or consumer issue with topics chosen for current interest.

Finance Office

TABLE 1

**Summary of Revenue for Alberta Consumer and Corporate Affairs
for the Fiscal Years Ended March 31, 1984 and 1983**

	<u>1983/84</u>	<u>1982/83</u>
Taxes:		
Insurance Corporation Tax Act	<u>\$32,474,137</u>	<u>\$32,727,568</u>
Fees, Permits and Licenses:		
Business Corporations Act	\$ 6,416,584	\$ 4,419,429
Alberta Securities Commission	526,079	366,832
Insurance Companies	301,987	162,953
Credit Union Examination	255,928	240,865
Real Estate Agents	221,515	250,454
Licensing of Trades and Businesses Act	184,058	313,397
Other	69,259	218,285
	<u>\$ 7,975,410</u>	<u>\$ 5,972,215</u>
Other Revenue:		
Refunds of expenditure	\$ 135	\$ 6,521
Miscellaneous	84,011	30,578
	<u>\$ 84,146</u>	<u>\$ 37,099</u>
TOTAL DEPARTMENTAL REVENUE	<u>\$40,533,693</u>	<u>\$38,736,882</u>

TABLE 2

**Summary of Expenditures of Alberta Consumer and Corporate Affairs
for the Fiscal Years Ended March 31, 1984 and 1983**

	1983/84	1982/83
Central Support Services		
Minister's Office	\$ 158,589	\$ 158,082
Executive Management	537,594	426,735
Program Support Division	4,358,246	2,248,096
Regional Delivery Division	<u>3,812,076</u>	<u>3,501,388</u>
	<u>\$ 8,866,505</u>	<u>\$ 6,334,301</u>
Consumer Services	<u>\$ 1,275,359</u>	<u>\$ 1,248,177</u>
Business Registration and Regulation		
Program Support	\$ 156,686	\$ 695,763
Regulation of Insurance Industries	207,112	189,180
Regulation of Auto Insurance Premiums	108,359	120,331
Business Incorporation and Registration	2,599,018	3,753,358
Registration and Regulation of Trust Co.	135,605	120,523
Regulation of Credit Unions	129,809	122,921
Licensing	397,182	390,470
Regulation of Credit Grantors	197,958	164,738
Regulation of Business Practices	184,270	156,082
Regulation of Real Estate	172,513	192,926
Regulation of Co-operatives	<u>67,213</u>	<u>43,799</u>
	<u>\$ 4,355,725</u>	<u>\$ 5,950,091</u>
Regulation of Financial Markets	<u>\$ 3,000,323</u>	<u>\$ 3,357,965</u>
Financial Assistance to Major Exhibitions & Fairs	<u>\$ 5,869,886</u>	<u>\$ 5,833,306*</u>
TOTAL DEPARTMENTAL EXPENDITURES	<u>\$23,367,798</u>	<u>\$22,723,840</u>

* Financial Assistance to Major Exhibitions & Fairs recorded in 1982/83 and previously, as expenditure for Alberta Agriculture.

Programs

Real Estate

Co-operative Activities

Consumer Credit

Family Financial Counselling

Licensing

Standards Development

Lotteries and Class "A" Agricultural Fairs

Real Estate Program

The Real Estate Program administers the Real Estate Agents' Licensing Act, Mortgage Brokers Regulation Act, Condominium Property Act, Landlord and Tenant Act, and Mobile Home Sites Tenancies Act.

In the public interest, this Program ensures that persons who deal in these areas are licensed and bonded, where required. Complaints against those licensed are investigated by regional staff who also conduct examinations and audits. Audit staff ensure trust funds are handled properly.

Real Estate Agents' Licensing Act

To become licensed as real estate agents and sales persons, applicants must satisfy the Superintendent of Real

Estate that they meet the requirements respecting training, competency and personal integrity. The number of real estate licensees in 1983/84 is summarized in Table 1.

The Program regulates the registration of out-of-province real estate that is divided into units such as lots, condominiums or timesharing projects. A prospectus providing full disclosure of relevant facts must be filed and accepted before a developer is permitted to offer a project to Alberta residents. Enquiries on filing a prospectus were received from 50 out-of-province developers during the fiscal year. There were 27 filings, and 20 Certificates of Acceptance were issued.

TABLE 1

Number of Real Estate Agents and Salesmen

	Agents	Salesmen	Total 83-84	Total 82-83
Calgary	287	2,291	2,578	2,927
Edmonton	297	1,498	1,795	2,160
Red Deer	27	161	188	209
Lethbridge	23	216	239	219
Medicine Hat	30	174	204	188
*Fort McMurray	16	59	75	*
Grande Prairie	13	82	95	74
Camrose	5	36	41	60
Lloydminster	7	39	46	46
Wetaskiwin	8	44	52	41
Drumheller	10	41	51	49
St. Albert	1	—	1	*
Towns, Villages and Non-residents	443	1,360	1,804	1,995
TOTAL	1,167	6,002	7,169	7,986

* Included with Towns, Villages and Non-residents prior to 1983-84.

Mortgage Brokers Regulation Act

Persons acting as mortgage brokers must be registered and maintain certain bonding and capital requirements. As of March 31, 1983, 112 mortgage brokers were registered in the Province, compared to 172 the previous year.

Disciplinary Action

Five show-cause hearings were held for real estate licensees, 12 mortgage brokers received letters of direction requiring corrective action to their operations, and five had their registrations cancelled after show-cause

hearings. Court action was sanctioned in nine cases under the Real Estate Agents' Licensing Act and the Mortgage Brokers Regulation Act, resulting in eight convictions.

Landlord and Tenant Act

Complaints against landlords are investigated by regional staff who also serve as mediators when required. The majority of complaints relate to non-return of security deposit and non-payment of interest. Court action is initiated when warranted; of 96 such instances during the year, 65 resulted in convictions.

TABLE 2

**Real Estate, Mortgage Broker, Condominium, and
Landlord and Tenant Investigations**

	1983-84	1982-83
Real Estate	423	375
Mortgage Brokers	162	138
Condominiums	4	6
Landlord and Tenant	672	607
Mobile Home Sites	8	1
TOTAL	1,269	1,127

Co-operative Activities Program

The Co-operative Program is responsible for the administration of the Co-operative Associations Act, the Co-operative Marketing Association and Rural Utilities Guarantee Act and the Native Co-operative Guarantee Act. The overall objective is to assist co-operatives with their incorporation requirements and to encourage them in the provision of co-operative services to their members. Program services are extended throughout the Province by the six Regional Offices.

Co-operatives have responded to economic difficulties in the past year by, in many cases, making major changes in their operation. These changes continue to be made as the system adjusts to the new economic environment.

A total of 20 new co-operatives were incorporated in the Province in 1983/84, while 30 co-operatives were struck from the register. Similarly, the number of individual members of co-operatives also decreased. As of March 31, 1984, co-operatives showed a total membership of 716,868 in Alberta; that figure does not take into account, however, the duplication of members belonging to more than one co-operative.

The Department works closely with other government departments, such as Alberta Utilities and Telecommunications, Alberta Agriculture and Alberta Housing, which provide assistance in various forms to co-operatives throughout the Province.

Alberta Co-operative Statistics

(year ending March 31, 1984)

Classifications	Business Volume	Assets	Net Worth	Surplus	Member- ship
Consumer	\$1,032,159,010	\$330,664,086	\$146,167,052	\$34,065,008	577,860
Livestock and Grazing	3,783,865	5,198,905	3,614,770	140,751	5,475
Feeder	23,025,286	20,000,499	360,790	(230,072)	1,836
Dairy and Poultry	368,689,346	107,278,227	46,032,754	9,596,587	10,359
Seed and Grain	1,399,524,061	391,008,589	150,148,382	25,052,928	91,917
Sundry	45,796,183	97,538,142	15,983,701	(1,199,968)	29,421
TOTALS	\$2,872,978,251	\$951,688,448	\$362,307,449	\$67,425,234	716,868

N.B. These figures do not include extra-provincial co-operatives.

Consumer Credit Program

The Consumer Credit Program administers four statutes: the Credit and Loan Agreements Act, the Collection Practices Act, the Wage Assignments Act and the Tax Rebate Discounting Act (federal).

The objective of the Program, headed by the Supervisor of Consumer Credit who is appointed under the Credit and Loan Agreements Act, is to promote a fair and reasonable marketplace in the consumer credit community.

The Department's Regional Offices investigated 354 credit-related complaints, down from 1982 levels, during the calendar year 1983. Court actions resulted in fines totalling \$4,330 against credit advertisers, a collection agency and a tax discounter, and in restitution payments of more than \$13,000. (See Table 1)

Tax Discounting

The Consumer Credit Program administers the Federal Tax Rebate Discounting Act through close co-operation with Consumer and Corporate Affairs Canada.

The Credit and Loan Agreements Act requires the registration of all tax discounters in Alberta. As of December 1983, 13 tax discounting operations were registered in the Province, compared to 12 in 1982. Activity in terms of number of transactions and dollar volume continued to increase. (See Table 2)

Few complaints against tax discounters were received in 1983, and no enforcement activity was initiated. An appeal of a 1982 sentence, however, was finalized through the courts. The conviction was upheld.

Industry Liaison

Discussion of credit-related matters continued with representatives of various credit-industry interest groups, including local and national credit grantors, retailers and concerned individuals. Program staff also continued to work with federal authorities as well as other provincial government offices with similar mandates.

TABLE 1

Summary of Credit Complaints in 1983*

	Complaint Investigations (by type of business)	
	Total 1983	Total 1982
Collection Agency	133	138
Retail	93	136
Bank (includes credit unions and trust companies)	60	121
Finance Company	21	54
Mail Order	8	12
Tax Discounter	20	6
Personal Services	9	6
Credit Reporting	1	3
Other	9	27
TOTAL	<u>354</u>	<u>503</u>

**Complaint Investigations
(by type of problem)**

	<u>Total 1983</u>	<u>Total 1982</u>
Collection Practices	112	92
Cost of Credit	38	90
Advertising	55	68
Pay-Out Calculation	26	65
Contract Liability	38	49
Unethical Practices	14	27
Cancellation of Contract	5	7
All Others (include licensing investigations)	<u>66</u>	<u>105</u>
TOTAL	<u>354</u>	<u>503</u>
 Total dollar settlements of all complaint investigation files	 \$40,066.00	 \$95,330.00
Average amount per file	\$113.18	\$189.52

* The Credit and Loan Agreements Act requires that the Supervisor of Consumer Credit report annually on a calendar-year basis; the figures in this section are from the latest report, which covers the period January through December, 1983.

TABLE 2

Activity of Alberta Tax Discounters

	<u>1983</u>	<u>1982</u>
Number of Returns Acquired	20,254	8,312
Total Amount of Refunds Acquired	\$18,145,626.00	\$6,744,088.00
Average Refund	\$895.90	\$811.37
Total Discount Retained	\$2,582,875.00	\$897,538.00
Average Discount Per Return	\$127.52	\$107.98
Percentage of Refund Retained	14.23%	13.30%

Family Financial Counselling Program

The Debtors' Assistance Act provides the framework of the Family Financial Counselling Program. Under the authority of the Director of Consumer Credit, financial counsellors in the Regional Offices throughout the Province counsel Albertans in family financial matters. Also through this Program, the Director oversees two repayment programs: repayment under the Debtors' Assistance Act, and the Orderly Payment of Debts Provisions under the Federal Bankruptcy Act. The Orderly Payment of Debts Provisions are administered in close conjunction with the Clerks of the Court of the Attorney General's Department.

The aim of the Family Financial Counselling Program is to:

1. Encourage sound financial planning to attain and maintain realistic lifestyle goals.

2. Help Albertans learn how to manage their own money, and promote the orderly repayment of legal debts.
3. Help develop a well-informed credit-user community.
4. Promote awareness and responsibility among Albertans and the credit community to ensure sound credit-extension policies are coupled with a responsible commitment to repay.

In the fiscal year, family financial counsellors assisted 8,583 Albertans with advice, information and mediation. The more serious financial difficulties handled through the two repayment programs resulted in the disbursement of \$2,253,220.93 from about 1,000 debtors to more than 1,100 creditors.

Licensing Program

The Licensing Program administers the following legislation: Licensing of Trades and Businesses Act, Public Auctions Act, Fuel Oil Licensing Act, Direct Sales Cancellation Act, Public Contributions Act, Cemeteries Act, Prearranged Funeral Services Act.

In addition, the Program is responsible for administrative procedures for licensing of real estate agents and salesmen, insurance agents and adjusters and investment contractors under the Real Estate Agents' Licensing Act and the Insurance Act.

Licensing is handled by Regional Office staff, who are responsible for accepting applications and supporting documents, conducting investigations and referring recommendations for prosecution or bond claims to the Director. The Licensing Program provides regional staff with: information through an on-line system of licensing, training and consulting services, bond administration/claims, and prosecution approvals.

During the fiscal year, approximately 34,442 licences were issued or renewed on an annual or two-year basis (depending on type of licence), with another 8,363 already active on a two-year basis and not yet due for renewal. The number of licences issued, representing a 3% decline from the previous year, decreased early in 1983 but started rising again late in the year.

A total of 859 campaigns for charitable solicitations, an increase of 9% from the previous year, were approved by the Department and six local approving authorities.

Surety bonds posted by 17 licensees were forfeited to compensate consumers where the licensees failed to provide goods and services as contracted. Claims totalled \$61,928.

Standards Development Program

The Standards Development Program administers the Unfair Trade Practices Act, which provides both protection to consumers and guidelines for a fair and competitive marketplace within which the business community may operate. The principles on which the Act is based, such as truth in selling and full disclosure of information, allow acceptable standards of business conduct to be set, benefiting both the supplier and consumer of goods and services.

In cases of recurring problems, the Standards Development Program continued to approach suppliers on an individual or collective basis to discuss guidelines and policy on interpretation of the Unfair Trade Practices Act. For example, because of the increase in "sales" and "specials" type of promotional events, a guideline was suggested on the use of promotional terminology. In the instance of one industry, misleading price-comparison advertising by retailers ceased almost immediately after the industry was consulted and advised of the requirements of the Unfair Trade Practices Act.

Individual companies were also approached regarding price-benefit claims. Discussions with such suppliers in many cases led to mutually acceptable agreements regarding future advertising by these suppliers.

Program staff also maintained liaison with business groups and other governmental organizations to develop minimum standards of business practice.

The Department's six Regional Offices and two District Offices conducted 1,099 investigations into alleged breaches of the Unfair Trade Practices Act during the past fiscal year. Resulting paybacks, or restitution in the form of goods or services, totalled a value of \$456,171.

Through statutory Undertakings, the Director of Trade Practices obtained assurance of compliance from three suppliers whose business conduct required formal remedy. A Statement of Claim, filed for breach of an earlier Undertaking, was successfully negotiated out of Court.

Lotteries and Class "A" Agricultural Fairs

Lotteries

Under the Interprovincial Lottery Act, the Minister may, on behalf of the Government of Alberta, enter into agreements with the governments of any other provinces regarding the conduct and management of lottery schemes within Alberta and those other provinces.

The Government of Alberta has dedicated lottery profits to volunteer, non-profit groups in the areas of recreation and culture. In 1983/84, these profits totalled approximately \$10 million.

During the year, the Minister asked for submissions on designing a new system to allow for a wider distribution to recipients. The Minister received approximately 3,000 letters and 600 briefs from interested organizations and individuals, and the new system was designed primarily around this public input.

Starting April 1, 1984, all revenue from Lotto 6/49, the Provincial, Super Loto and Western Express lottery schemes will be combined and profits from them will be distributed as follows:

32.5%	to cultural foundations and councils.
32.5%	to a recreation foundation and sports council.
15%	to the Calgary Exhibition and Stampede, to a maximum of \$2.75 million.
15%	to Edmonton Northlands, to a maximum of \$2.75 million.
5%	to a new WILD ROSE FOUNDATION, to a maximum of one million dollars.

Undistributed lottery profits from games previously not included in the distribution system expiring at the

end of 1983/84 were provided on a one-time-only basis as follows:

- an endowment of approximately \$4.5 million for a WILD ROSE FOUNDATION which would consider applications from volunteer non-profit organizations previously not considered eligible for lottery profits;
- \$4 million for the Alberta Olympic Game Plan to fund the nine provincial associations responsible for Olympic sports in order to qualify as many Alberta athletes, coaches, and officials as possible for the 1988 Olympic Games in Calgary;
- \$2.9 million divided equally among seven class "A" fairs: Camrose, Grande Prairie, Lethbridge, Lloydminster, Medicine Hat, Olds and Red Deer each received \$417,000;
- payments, if necessary, to the present recipients to bring their 1983/84 allocations up to 1982/83 levels.

Class "A" Agricultural Fairs

Under the Agricultural Societies Act, the Minister administers "in common" with Alberta Agriculture, responsibility for the Class "A" Agricultural Fairs located in Calgary, Camrose, Edmonton, Grande Prairie, Lethbridge, Lloydminster, Medicine Hat, Olds and Red Deer.

Capital and operating grants to these Societies in 1983/84 totalled \$2,955,895 and \$2,911,529 respectively.



Financial Institutions

Insurance and Investment Contract Companies

Credit Unions

Trust Companies

Financial Institutions

The primary objective of this program area is to provide a stable regulatory environment and a positive

climate, with minimum government intervention, for the Province's financial institutions.

Office of the Superintendent of Insurance

In accordance with the Insurance Act of Alberta, the Superintendent of Insurance:

- (a) has general supervision of the business of insurance within Alberta,
- (b) shall ensure that the laws relating to the conduct of the business of insurance are enforced and obeyed,
- (c) shall examine and report to the Minister from time to time on all matters connected with insurance, and
- (d) shall prepare for the Minister an annual report on the affairs of the industry.

Additionally, under the Investment Contracts Act, the Superintendent has similar responsibilities in relation to the supervision and regulation of the investment contracts industry.

Before obtaining a licence from the Superintendent, an insurance company must place a deposit with the appropriate provincial or federal authority. This deposit is held to protect policyholders in case the company runs into financial difficulties.

In an effort to ensure that all insurance agents, brokers, and adjusters acquire an acceptable standard

of knowledge in their field, the Superintendent prescribes examinations for new applicants before issuing a certificate of authority.

All insurance companies licensed in Alberta are required to file, with the Superintendent of Insurance, annual audited statements detailing their financial conditions and operations.

In the interests of policyholders, the office of the Superintendent monitors the financial stability of provincially incorporated insurance companies through annual audit and periodic review of their financial condition. Federally chartered insurance companies are monitored by the Superintendent of Insurance for Canada.

The Superintendent works in co-operation with other provincial jurisdictions to maintain uniformity in the enactment and administration of insurance laws. Each year the provincial and territorial Superintendents of Insurance across Canada and the federal Superintendent of Insurance hold a conference to discuss regulatory issues relating to the insurance industry. Alberta hosted the 1983 Annual Conference.

TABLE 1

Insurance Companies Licensed

	Total 82/83
Provincial Companies	8
Extra-Provincial Companies	16
Dominion Registered Companies	306
Fraternal Associations	21
TOTAL	351
 New Companies Admitted (1983)	 5
Companies Withdrawn (1983)	2
Companies Merged into Existing Companies	5

TABLE 2

Number of Insurance Agents Licensed

(as of February 1, 1984)

	Life	Fire	Accident & Sickness	Hail	Auto	Other	Total 83/84	Total 82/83
Edmonton	1,234	397	797	3	14	277	2,722	2,510
Calgary	1,320	445	953	2	5	280	3,005	2,797
Lethbridge	116	48	68	24	—	41	297	261
Medicine Hat	35	12	17	9	1	10	84	79
Red Deer	87	28	53	—	3	37	208	229
Grande Prairie	45	9	31	6	2	16	109	122
Lloydminster	26	13	3	4	2	4	52	49
Other Centres* and Non-residents	853	718	359	579	13	355	2,877	2,803
Employees	2	1,963	—	—	17	54	2,036	1,898
TOTAL	3,718	3,633	2,281	627	57	1,074	11,390	10,748

* Centres with fewer than 50 agents are not shown separately.

TABLE 3

Number of Insurance Adjusters Licensed

(as of February 1, 1984)

	Total 83/84	Total 82/83
Edmonton	151	157
Calgary	124	143
Red Deer	13	17
Lethbridge	19	13
Other Centres* and Non-residents	86	96
TOTAL	393	426

* Centres with fewer than 10 adjusters are not shown separately.

TABLE 4

Insurance Complaints Resolved

(Fiscal Year Ending March 31, 1984)

Class of Complaints	Total 83/84	Total 82/83
Automobile	199	271
Fire	77	78
Life	81	70
Accident and Sickness	8	32
Travel	1	10
General (other classes)	1	172
Adjusters	1	13
TOTAL	382	646

Credit Union Program

The Credit Union Program administers the Credit Union Act and the Credit Union Federation of Alberta Limited Act.

Additionally, the Director is responsible for examining applications for the incorporation of credit unions, examining the affairs of each credit union at least once a year and, with the Board of the Stabilization Corporation, approving dissolutions and amalgamations.

There is continuous liaison between the office of the Director and the Credit Union Central, the Credit Union Stabilization Corporation and Alberta credit unions.

No new credit unions were incorporated during the fiscal year 1983/84. There were three dissolutions, leaving 133 credit unions chartered in the Province.

Alberta Credit Unions

	March 1984	March 1983
Number of Incorporated Credit Unions.....	133	136
Branch Outlets	153	159
TOTAL	286	295
Members	496,730	500,427
Assets	\$2,575,168,000	\$2,503,274,000
Loans Outstanding	\$1,958,186,000	\$1,878,152,000
Cash and Investments.....	\$324,200,056	\$357,592,690
Guarantee Reserves (for doubtful loans)	\$67,858,565	\$34,630,010

Trust Companies Program

The Trust Companies Program administers the Trust Companies Act.

All trust companies operating in Alberta must be registered and comply with all requirements of the Act. Those taking deposits from the public must also be members of the Canada Deposit Insurance Corporation.

These companies must file quarterly and annual reports, and any other information as may be required by the Director of Trust Companies.

As at December 31, 1983, 51 trust companies were registered in Alberta: five Alberta-incorporated, 28 federally incorporated and 18 incorporated in other provinces.

Comparative Statistics for Trust Companies Registered in Alberta

	1983 (\$000)	1982	Increase (Decrease) (\$000)	% Change
Total Assets	\$42,818,000	\$38,646,000	\$4,172,000	11%
Term and Demand Deposits (Alberta)	3,635,000	3,515,000	120,000	3%
Total Investments (Alberta)	8,486,000	8,591,000	(105,000)	(1%)
Number of Companies	51	51	—	0%

Special Projects and Corporate Registry

Corporate Registry

Corporate Registry is responsible for the registration function outlined in the Business Corporations Act, the Companies Act, the Societies Act, the Religious Societies' Lands Act, the Co-operative Associations Act, the Credit Union Act, and the Cemetery Companies Act.

The primary administrative functions of Corporate Registry in registering under these Acts are to issue certificates which create or change the structure of limited liability corporations and societies, issue certificates of registration to permit corporations formed elsewhere in the world to carry on business in Alberta, and maintain a public depository of documents required to be filed under the various provisions of the Acts.

The Registry maintains records, in computerized and microfilm form, on 173,615 active corporations in the Province. During 1983-84, the Program incorporated or registered 14,847 corporations.

The Registry continued its downsizing by planning for the privatization of the corporate name examination process. Decentralization of some Registry functions continued with expansion to the Grande Prairie and Medicine Hat District Offices.

The Registrar works in co-operation with other North American jurisdictions to maintain uniformity in the enactment and administration of corporate law.

TABLE 1

Documents Issued

	1983-84	1982-83
Business Corporations Act		
Certificates of Incorporation	12,235	10,691
Certificates of Registration	1,326	1,243
Certificates of Continuance	42,100	39,291
Certificates of Amalgamation	460	422
Certificates of Amendments	434	216
Certificates of Dissolution	12,065	12,292
Certificates of Import Continuance	91	70
Certificates of Discontinuance (Export)	388	267
Companies Act		
Certificates of Incorporation	52	32
Certificates of Capital Change	2,494	1,739
Certificates of Object Change	157	120
Certificates of Name Change	4,634	3,955
Societies Act		
Certificates of Incorporation	1,173	706
Certificates of Articles/By-law Change	835	911
Religious Societies' Lands Act		
Certificates of Incorporation	37	31
Co-operative Associations Act		
Certificates of Incorporation	34	19
Credit Union Act		
Certificates of Incorporation	0	0
Cemetery Companies Act		
Certificates of Incorporation	0	0

TABLE 2
Documents Processed

	<u>1983-84</u>	<u>1982-83</u>
Annual Corporate Summaries	106,139	92,569
Notice of Address	26,041	26,407
Notice of Directors	19,932	19,623
Debt Obligations	6,193	7,617
Discharge of Obligations	2,301	2,069
Receivers/Liquidators	729	1,023
Corporate Revivals	838	667

TABLE 3
Public Information

	<u>1983-84</u>	<u>1982-83</u>
Telephone Searches	402,664	351,590
Walk-in Clients	69,873	66,145
Certified Documents	6,453	6,585
Written, Telex Searches	52,980	59,843